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**Norway**

**Fishery Products**

**Annual**

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**Report Highlights:**

**The Norwegian catch of groundfish dropped by 14 percent in 2000, while the production and export of farmed salmon reached new highs. Total seafood exports in 2000, valued at US\$ 3.5 billion, also represented a record high.**

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## **Executive Summary**

Norway's total catch of wild fish in 2000 amounted to the about same level as in 1999, both in volume and value. The total reached about 2.6 million metric tons and about NOK 10 billion (US\$ 1.1 billion). The trend is towards fewer catches of groundfish and increased catches of pelagic fish. The diminished groundfish catch is due to quota reductions which were effected in order to give some consideration to conservation needs. The demersal stock is, in general, in a worse state than the pelagic stock. The total catches of cod, haddock and saithe in 2000 amounted to 435,000 metric tons, a reduction of 14 percent from the previous year.

Production of farmed salmon achieved a new record in 2000, reaching 437,000 metric tons. This amounted to an increase of only 4 percent from 1999, compared with a 20 percent increase the previous year. Production is expected to reach about 460,000 metric tons in 2001. The feeding quota implemented in Norway in 1996, to resolve its dispute with the EU over salmon export volumes, does not seem to have had a negative affect on fish farmers. Norway presently accounts for about 50 percent of total world production of Atlantic salmon. However, Norwegian production could easily be doubled if the demand was larger. At present, Norwegian production is regulated by a feeding quota implemented by Norway to satisfy the European Union in its effort to stabilize production prices in its internal market. This agreement with the EU will be renegotiated before the summer of 2002. Norway also seems to have realized good margins on its salmon exports. The average production cost for salmon producers in 2000 was NOK 15.66 (US\$1.74) per kilo while the average export price for fresh whole salmon was NOK 30.65 (US\$3.40) per kilo.

According to the Norwegian Seafood Export Council, Norway's exports of seafood exceeded NOK 31.4 billion (US\$ 3.5 billion) in 2000. This is an increase in value of about 5 percent, and a new export record for Norway. About 43 percent of the exported fish were salmon and trout, while white fish accounted for 14 percent, and pelagic fish for 18 percent. Japan is still the largest single country market for Norwegian seafood exports. Presently, fish is Norway's second largest export product after gas and oil.

Salmon exports increased in both value and volume in 2000, and reached 334,000 metric tons (product weight) for a value of NOK 12.3 billion (US\$1.36 billion). This is an increase of 2 percent in tonnage compared with 20 percent last year.

Of the total of 344,000 tons of salmon exported from Norway in 2000, 266,000 metric tons (82 percent) was fresh salmon. The EU market accounted for as much as 82 percent of such trade. Denmark and France were the primary importing countries within the EU.

## **Production**

### **Catches and Resources**

According to the Norwegian Institute of Marine Research, the stocks of groundfish in the Northeast Atlantic still need protection and strong regulatory measures to come within biologically safe limits in the near future. Pelagic stocks seem to be in better condition. There is particular concern for Northeast Atlantic cod. The spawning stock is estimated at merely 300,000 metric tons, about the same level as 2000. However, according to the Marine Research Institute, growth is expected in the coming years due to less cannibalism and increase in capelin fish resources as feed for cod.

It was expected that the total catch of fish would decrease in 2000, but a large increase in the catch of capelin fish bolstered the total to the 1999 level. However, the total catch of the main species (cod, haddock and saithe) decreased by 15 percent from 1999. Nevertheless, the income of fishermen decreased by only 2 percent. This means that Norwegian fishermen have benefitted from price increases due to the lack of whitefish on the world market. Total catches reached 2.68 million metric tons in 2000, for a value of NOK 9.7 billion (US\$ 1.1 billion). The disposition of landings trended toward more frozen fish in 2000. The upward trend resulted in the doubling of frozen fish. While fresh has been reduced considerably, salted and dried fish showed little change in 2000. Fish for meal is stable. A slight decrease in the overall catch is expected in 2001, especially in the groundfish sector.

**Total catches and dispositions of landings**

	Quantities in in metric tons round weight		
	1999	2000	est. 2001
<b>Total catches</b>	<b>2,598,733</b>	<b>2,682,000</b>	<b>2,490,000</b>
<b>Main disposition:</b>			
<b>Fresh</b>	<b>233,016</b>	<b>175,000</b>	<b>160,000</b>
<b>Mince fish,roe and frozen</b>	<b>1,071,634</b>	<b>1,165,000</b>	<b>900,000</b>
<b>Dried</b>	<b>22,669</b>	<b>26,000</b>	<b>25,000</b>
<b>Salted</b>	<b>252,972</b>	<b>210,000</b>	<b>200,000</b>
<b>Semi canning</b>	<b>5,101</b>	<b>4,000</b>	<b>4,000</b>
<b>Meal oil animal feed</b>	<b>1,011,159</b>	<b>1,100,000</b>	<b>1,200,000</b>
<b>Bait and other</b>	<b>1,495</b>	<b>1,000</b>	<b>1,000</b>

Sources: Directorate of Fisheries

**Total catches of the main groundfish reported**

	Metric tons round weight			
	1998	1999	2000	est.2001
<b>Cod</b>	<b>321,600</b>	<b>256,700</b>	<b>220,000</b>	<b>196,000</b>
<b>Haddock</b>	<b>78,700</b>	<b>53,400</b>	<b>45,900</b>	<b>56,000</b>
<b>Saithe</b>	<b>193,400</b>	<b>198,100</b>	<b>169,300</b>	<b>165,000</b>
<b>Total</b>	<b>593,700</b>	<b>508,200</b>	<b>435,200</b>	<b>417,000</b>

**Cod resources and quotas**

For year 2000, the International Council for Exploration of the Sea (ICES) suggested an overall quota of no more than 110,000 metric tons. However, the Russian/Norwegian Fishing Commission disregarded this recommendation and set their quota at 430,000 metric tons, which includes a quota of 40,000 tons of coastal Norwegian cod. This amounts to a reduction of 17 percent. In the negotiations between Russia and Norway, third countries were given a quota of 55,200 metric tons, of which 15,600 metric tons should be caught around Svalbard. Excluding the 40,000 metric tons quota for coastal cod, Norway's quota was 153,400 metric tons and Russia's was 141,400 metric tons.

The total catch of cod in 2000 is reported to have been 430,000 metric tons of which about 30,000 metric tons were Norwegian coastal cod. The overall catches were close to the agreed levels of the quotas for Russia and Norway. The Norwegian catch, including coastal cod, was reported at 220,000 tons, which was 14 percent lower than in 1999. According to the Norwegian Marine Research Institute, the latest assessment estimated North-East Arctic cod stock to be around 1.3 million tons in 2001 compared with 1.2 million tons in 1999. The spawning stock was estimated at 300,000 metric tons in 2001. How stocks will develop in the coming year is uncertain.

For year 2001, the International Council for Exploration of the Sea (ICES) recommended an overall quota of no more than 263,000 metric tons. However, the Russian/Norwegian Fishing Commission set the quota at 435,000 metric tons, including 40,000 metric tons of coastal Norwegian cod. In the Russia/Norway negotiations, third countries were given a quota of 55,900 metric tons, of which 15,800 metric tons should be caught around Svalbard. Norway's quota is 195,550 metric tons and Russia's is 183,550 metric tons. Current spawning stock biomass is under and the exploitation rate is over biologically safe limits.

**Haddock resources and quotas**

For the year 2000, the Russian/Norwegian Fishing Commission agreed on a total quota of 62,000 metric tons, which is a decrease of 16,000 metric tons from 1999. Russia's quota was 25,400 tons and Norway's was 38,400 metric tons, including coastal haddock. Third countries were given a 3,200 metric ton quota.

According to official statistics, the total haddock catch under the agreement amounted to 62,000 metric tons in 2000. The Norwegian catch haddock catch in 2000 amounted to 45,900 metric tons, thus exceeding this country's quota. The spawning stock for 2001 was calculated at 84,000 metric tons, which is lower than the 2000 level. Total stocks have been calculated at 250,000 metric tons for 2001.

For the year 2001, the Russian/Norwegian Fishing Commission agreed on a total cod quota of 85,000 metric tons, i.e., an increase of 23,000 metric tons from 2000. Russia's quota is 25,400 metric tons and Norway's quota is 56,300 metric tons, including coastal haddock. Third countries were given a 4,400 metric ton quota.

**Saithe catches and resources**

The Norwegian catches of saithe are divided between the North Arctic stock and the North Sea stock. According to the Marine Research Institute, the stock of North Arctic saithe has registered a decrease in recent years. The ICES advised a total quota of 115,000 metric tons for 2001 for North Arctic Saithe, while Norwegian authorities set the final total allowable catch (TAC) at 135,000 tons, 10,000 metric tons above the 2000 level. Norway seems to totally dominate this market, and of a total of 125,000 metric tons caught, Norway accounted for 118,500 metric tons. According to the Norwegian/EU agreement, Norway's total quota of North Sea and Skagerak saithe for 1999 was 52,200 metric tons. For 2000, a quota of 44,200 metric tons was allocated to Norway, while the quota for 2001 will be 45,240 metric tons. This entire quota can be fished in the EU zone.

**Salmon production and disposals in thousand metric tons**

	1999	2000	est. 2001
<b>Total production (round weight)</b>	<b>420</b>	<b>437</b>	<b>460</b>
<b>Total export (product weight)</b>	<b>338</b>	<b>344</b>	<b>350</b>
<b>Total consumption (product weight)</b>	<b>12</b>	<b>14</b>	<b>18</b>

## Salmon production

Total Norwegian production of salmon continues to increase, at a lower rate than in recent years. Salmon is the most important farmed "animal" in Norway. Production reached a record 437,000 metric tons, an increase of 4 percent from the previous year. For the third time in a row, the value of the production exceeded NOK 10 billion. The production of salmon per man-year in Norway has increased from 58 tons in 1990 to 298 tons in 2000. Production has never been more profitable for Norwegian farmers and, according to the Directorate of Fisheries, total profit has been calculated at approximately NOK 4 billion (US\$ 444 million) in 2000, which is double the earnings in 1999. Production increases have been realized in spite of the feeding quotas implemented since March, 1996. The total feed quota set for Norwegian salmon production in 2000 was 625,000 metric tons. It is also interesting to note that the production of trout, which reached 43,700 metric tons in 1999, was almost unchanged in 2000. Trout production is not affected by the feeding quotas implemented in Norway, but it should be mentioned that about 60,000 metric tons of feed went for trout production.

Another factor which is important for the Norwegian fish farmers is the amount of smolt used. While the smolt used in 1993 was 63 million, the number increased to 126 million in 2000. This amount is about the same as in 1999. It is expected that smolt stock for the next few years will increase by 7-10 percent, and thereafter reflect yearly increases in feed quota.

The 437,000 metric ton Norwegian production of Atlantic salmon compromised about 50 percent of total world production in 2000. The approximately 820 Norwegian fish farm concessions in operation provided employment amounting to about 2,200 man-years.

## Production costs and sales prices

The table below provides an overview of production costs in the fish farming industry for the last four years compared with round weight export prices obtained by Norway for fresh salmon. This data was sourced from the Directorate of Fisheries. It is important to note that freight and slaughtering costs as well as interest on capital are not included. The additional costs amounted to about NOK 3.22 per kilo in 1999, and were reduced to NOK 3.17 in 2000.

## Salmon, fresh - production costs and avg. export price in NOK/kg



	1997	1998	1999	2000
<b>Smolt cost</b>	<b>2.64</b>	<b>2.23</b>	<b>2.44</b>	<b>2.37</b>
<b>Feed cost</b>	<b>8.94</b>	<b>9.71</b>	<b>8.48</b>	<b>7.99</b>
<b>Insurance</b>	<b>0.23</b>	<b>0.25</b>	<b>0.27</b>	<b>0.25</b>
<b>Wages</b>	<b>1.58</b>	<b>1.61</b>	<b>1.49</b>	<b>1.54</b>
<b>Other operating costs</b>	<b>2.51</b>	<b>2.61</b>	<b>2.61</b>	<b>3.05</b>
<b>Net interest costs</b>	<b>0.73</b>	<b>0.77</b>	<b>0.81</b>	<b>0.46</b>
<b>Production cost</b>	<b>16.63</b>	<b>17.18</b>	<b>16.10</b>	<b>15.66</b>
<b>Average export price</b>	<b>26.26</b>	<b>28.01</b>	<b>27.95</b>	<b>30.65</b>

**Exchange rate: 1 US\$ = NOK 7.6 (1998)**  
**NOK 8.5 (1999)**  
**NOK 8.8 (2000)**

In 2000, production cost was the lowest ever. The relatively high production cost in 1998 was affected by high fishmeal and oil prices, mainly due to the affect of El Nino. The lowest average production cost per kilo is realized in the middle of Norway, while the highest cost is in the counties in the North. The disparity between farms is large, as production costs could be as low as NOK 10 per kilo for some, but as high as NOK 30 per kilo for others. According to the data from the Directorate of Fisheries, higher sales prices and lower production costs resulted in increased profitability for fish farmers in 2000.

## Consumption

The Norwegian Seafood Export Council, which is responsible for the marketing of fish in Norway began research on Norwegian consumption of fish in 1994. In 1995, private consumption was about 58,500 metric tons. Currently, it is about 75,000 tons. This figure, however, does not include consumption in the HRI segment which is estimated at 15,000 metric tons per year. This means that the average annual per capita consumption in Norway is about 20 kilos. Norway has a goal of increasing private consumption to 80,000 metric tons in the year 2001, and is actively providing support to grammar schools to achieve this goal.

Consumption of seafood is reportedly in urban areas. Grocery retail chains account for 85 percent of the total sale of fish in Norway, and the trend is toward even higher market shares in the future. Larger grocery retailers are looking toward expanding availability of fresh fish in their stores. These plans intend to attract health-conscious consumers.

In 2000, the Norwegian Export Council spent about NOK 12.0 million (US\$ 1.3 million) out of a total budget of NOK 342 million (US\$ 38 million) in their efforts to promote fish in the domestic market. It is distributing brochures, participating in smaller fairs and festivals, and supporting TV commercials. In 1999, a three-year fish promotion program was launched which targets the young generation by supporting the use of fish in cooking lessons in school.

## **Trade**

### **Trade General**

Total exports in 2000 amounted to more than NOK 31.4 billion (US\$3.5 billion), a Norwegian record. Of this amount, farmed fish accounted for NOK 13.3 billion (US\$ 1.48 billion). Export volume in 2000 amounted to 2.1 million metric tons. The value increase of 5.3 percent over the 1999 level exceeded the 2.8 percent increase in volume. The Norwegian Seafood Export Council and its efforts throughout the world in marketing fish from Norway are credited with much of this export expansion.

In 1991, the Ministry of Fisheries established the Norwegian Seafood Export Council situated in Tromsø. The board consists of seven members representing exporters, producers, fish farmers and the Ministry of Fisheries. The main marketing strategy of the Norwegian Seafood Export Council is generic promotion of fish products both domestically and internationally. It also has the authority to approve Norwegian exporters and assure that they follow prescribed rules and regulations. In 2000, there were 516 approved exporters which supplied 2,000 products to more than 140 countries. It is important to note that this organization is involved only in generic promotion. Exporters are informed in advance about dates and countries in which an activity is planned and can take advantage of these promotions in marketing their brands. The Norwegian Seafood Export Council is also an advisory agency for the Ministry of Fisheries on questions associated with seafood exports. The Council's 2000 marketing budget grew by 44 percent over its 1999 level to NOK 342 million (US\$ 38 million). The budget for 2001, is the largest ever at NOK 387 million (US\$ 43 million). Of this amount, NOK 18 million (US\$ 2 million) is designated for use in the domestic market, and the balance is to be used to promote exports.

### **FISHING TRADE (million US\$)**

	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>
<b>Total Imports (CIF)</b>	<b>364</b>	<b>493</b>	<b>457</b>	<b>434</b>
<b>Total Exports (FOB)</b>	<b>3,012</b>	<b>3,542</b>	<b>3,759</b>	<b>3,454</b>
<b>Trade Balance</b>	<b>2,648</b>	<b>3,049</b>	<b>3,302</b>	<b>3,020</b>
<b>Total Imports from U.S.</b>	<b>20.3</b>	<b>40.6</b>	<b>30.7</b>	<b>28.8</b>
<b>Total Exports to U.S.</b>	<b>126.7</b>	<b>128.1</b>	<b>171.3</b>	<b>146.5</b>
<b>Trade Balance w/U.S.</b>	<b>106.4</b>	<b>87.5</b>	<b>140.6</b>	<b>117.7</b>
<b>Pct. Imports from U.S.</b>	<b>5.6%</b>	<b>8.2%</b>	<b>6.7%</b>	<b>6.6%</b>
<b>Pct Exports to U.S.</b>	<b>4.2%</b>	<b>3.6%</b>	<b>4.6%</b>	<b>4.4%</b>

EU countries are by far the most important market for Norwegian fish exporters. In 2000, they accounted for 58 percent of the total export value. Among the single country markets in the world, Japan (13.4%), Denmark (11.6%), France (8.6%), and Great Britain (8.5%) were the most important destinations for Norwegian seafood. Salmon and cod are the most important species exported, accounting for 57.9 percent of total export value in 2000. Norwegian salmon, alone, represented 39 percent of total export value and was shipped to more than 50 countries.

**Total fish exports in metric tons product weight and in US\$**

	Metric tons		Value US\$ Million	
	1999	2000	1999	2000
<b>Total</b>	<b>2,079,313</b>	<b>2,142,914</b>	<b>3,508</b>	<b>3,572</b>
<b>EU</b>	<b>1,015,102</b>	<b>951,815</b>	<b>2,138</b>	<b>2,080</b>
<b>Japan</b>	<b>282,732</b>	<b>261,993</b>	<b>520</b>	<b>480</b>
<b>Denmark</b>	<b>290,643</b>	<b>307,913</b>	<b>357</b>	<b>416</b>
<b>France</b>	<b>119,529</b>	<b>106,791</b>	<b>315</b>	<b>306</b>
<b>Germany</b>	<b>102,344</b>	<b>75,040</b>	<b>204</b>	<b>188</b>
<b>Great B.</b>	<b>160,519</b>	<b>156,507</b>	<b>321</b>	<b>306</b>
<b>Sweden</b>	<b>55,605</b>	<b>60,056</b>	<b>171</b>	<b>186</b>
<b>Portugal</b>	<b>59,136</b>	<b>42,685</b>	<b>265</b>	<b>201</b>
<b>Russia</b>	<b>163,981</b>	<b>214,476</b>	<b>75</b>	<b>119</b>
<b>Italy</b>	<b>31,287</b>	<b>26,750</b>	<b>155</b>	<b>146</b>
<b>USA</b>	<b>37,886</b>	<b>36,554</b>	<b>159</b>	<b>156</b>

### Total fish export by species

	Metric tons product weight		Value US\$ Million	
	1999	2000	1999	2000
<b>Total</b>	<b>2,079,313</b>	<b>2,142,914</b>	<b>3,508</b>	<b>3,572</b>
<b>Salmon</b>	<b>338,128</b>	<b>343,712</b>	<b>1,267</b>	<b>1,397</b>
<b>Trout</b>	<b>35,144</b>	<b>27,617</b>	<b>148</b>	<b>111</b>
<b>Cod</b>	<b>169,685</b>	<b>147,057</b>	<b>752</b>	<b>670</b>
<b>Saithe</b>	<b>70,875</b>	<b>83,150</b>	<b>146</b>	<b>149</b>
<b>Haddock</b>	<b>35,517</b>	<b>33,615</b>	<b>99</b>	<b>96</b>
<b>Herring</b>	<b>539,106</b>	<b>638,015</b>	<b>217</b>	<b>271</b>
<b>Mackerel</b>	<b>305,942</b>	<b>339,349</b>	<b>234</b>	<b>272</b>
<b>Prawn</b>	<b>35,548</b>	<b>43,100</b>	<b>154</b>	<b>173</b>
<b>Other</b>	<b>549,368</b>	<b>487,299</b>	<b>491</b>	<b>433</b>

Exchange rate: 1 US\$ = NOK 8.5 (1999)  
NOK 8.8 (2000)

### Trade Trends White Fish

According to the Norwegian Seafood Export Council, exports of fresh and frozen white fish amounted to NOK 4.7 billion (US\$ 522 million) in 2000. This represents an increase of 3.5 percent in value in terms of NOK from the previous year. Export volume was reduced by about 5 percent. The reduction in exports was mainly attributable to a reduction in the quota for cod in the Barentz Sea. The general global reduction of white fish supply resulted in high prices for Norwegian white fish in export markets. Despite high prices obtained in 1998 for frozen filets of cod, prices continued to increase by 11 percent in 1999 and a further 7 percent in 2000. Average prices of frozen filets of haddock only increased slightly in 2000. These two products are the most popular ones in the U.S. market. The main markets for Norwegian white fish are the United Kingdom, the U.S., Denmark, Germany and France. The marketing of Norwegian white fish is concentrated around cod, saithe and haddock, which comprise more than 90 percent of white fish exports. Because of the reduced volume of white fish available for export, Norway has decided to put its "hunger" for new markets on hold while it tries to satisfy demands in its already established markets.

**Cod products:**

Because of a lack of resources and catch quotas, exports of Norwegian cod in 2000 decreased for the fourth year in a row. However, export value in Norwegian Kroner has remained relatively unchanged. Of the different products exported, frozen filets contribute most to volume and value. The more conventional products like dried cod and clip fish show stable export levels, while exports of salted cod have been reduced considerably.

For Norwegian frozen filets of cod, the best market was the United Kingdom with a 46 percent share of total exports. The United States followed with a 15 percent share in terms of volume. In dealing with the shortage of white fish, Norwegian exporters gave priority to supplying cod to the United Kingdom over other customers during the past three years. It is also of interest to note that US importers of filets of cod paid on average one dollar and twenty cents more per kilo than did the United Kingdom. Denmark and France were the largest markets for fresh cod. Denmark alone imported about 50 percent of Norway's exported volume. For conventional products like clip fish and salt fish, Portugal, Brazil and Spain were the largest markets. However, in 2000, the Dominican Republic became a significant buyer and increased its imports of fresh cod from Norway by 34 percent. The largest competitor to Norway in these markets is Iceland.

The total export value of cod products from Norway in 2000 was NOK 5.9 billion (US\$ 660 million), down about 8 percent from the previous year. Cod products accounted for about 19 percent of total Norwegian fish exports.

**Cod products export 1998-2000**

	Metric tons product weight			Value in thousand US\$		
	1998	1999	2000	1998	1999	2000
<b>Fresh</b>	<b>20,400</b>	<b>19,600</b>	<b>20,500</b>	<b>50,586</b>	<b>44,588</b>	<b>48,556</b>
<b>Round frozen</b>	<b>22,600</b>	<b>25,600</b>	<b>21,800</b>	<b>51,885</b>	<b>52,706</b>	<b>47,889</b>
<b>Frozen filet/block</b>	<b>48,500</b>	<b>44,600</b>	<b>41,000</b>	<b>265,400</b>	<b>213,647</b>	<b>195,555</b>
<b>Salted</b>	<b>45,000</b>	<b>40,500</b>	<b>25,500</b>	<b>193,800</b>	<b>176,470</b>	<b>99,445</b>
<b>Klipfish</b>	<b>39,500</b>	<b>32,000</b>	<b>32,000</b>	<b>257,229</b>	<b>200,000</b>	<b>196,444</b>
<b>Dried fish</b>	<b>4,800</b>	<b>7,400</b>	<b>6,257</b>	<b>64,129</b>	<b>65,060</b>	<b>67,444</b>
<b>Sum product weight</b>	<b>180,800</b>	<b>169,700</b>	<b>147,057</b>	<b>883,029</b>	<b>752,471</b>	<b>655,333</b>

Exchange rate: 1 US\$ = NOK 7.6 (1998)

NOK 8.5 (1999)

NOK 8.8 (2000)

Haddock products:

As with cod, the diminished export of haddock was caused by quota reductions. The haddock quota was decreased by 16,000 metric tons in 2000. In the past two years, the export of haddock has decreased by 22 percent in volume, and 29 percent in value. The largest markets for Norwegian haddock are the United Kingdom and the U.S.. In 2000, more than 5,600 metric tons of frozen haddock were exported to the U.S. The Norwegian Seafood Export Council reports successes from its marketing efforts in the U.S.. For several years, various seminars were given through the American Culinary Federation to educate more than 2,800 chefs and 1,500 students about Norwegian seafood.

#### Haddock products export 1998-2000

	Metric tons product weight			Value in thousand US\$		
	1998	1999	2000	1998	1999	2000
Fresh	13,700	10,812	12,200	24,300	19,882	23,334
Round frozen	15,900	15,500	12,700	38,943	34,941	29,055
Frozen filet/block	13,300	8,713	8,400	69,200	41,882	40,177
<b>Total</b>	<b>42,900</b>	<b>35,025</b>	<b>33,300</b>	<b>132,443</b>	<b>96,705</b>	<b>92,566</b>

Exchange rate: 1 US\$ = NOK 7.6 (1998)  
 NOK 8.5 (1999)  
 NOK 8.8 (2000)

#### Saithe Products:

In 2000, saithe exports increased by 17 percent in terms of volume, but the average export price dropped by 10 percent. Denmark is the largest importer of fresh saithe, while Germany is a large consumer of frozen saithe. The increase in clip fish exports is due to larger volumes to important markets like Portugal, Brazil and the Dominican Republic. The overall value of saithe exports was about the same amount in 2000 as registered in the previous year.

#### Saithe products export 1998-2000

	Metric tons			Value in thousand US\$		
	1998	1999	2000	1998	1999	2000
<b>Fresh</b>	<b>20,600</b>	<b>20,100</b>	<b>20,600</b>	<b>24,886</b>	<b>18,259</b>	<b>16,488</b>
<b>Frozen filet</b>	<b>22,200</b>	<b>17,076</b>	<b>17,800</b>	<b>75,171</b>	<b>42,570</b>	<b>36,500</b>
<b>Klipfish</b>	<b>25,800</b>	<b>20,200</b>	<b>27,700</b>	<b>95,643</b>	<b>59,035</b>	<b>65,800</b>
<b>Sum product weight</b>	<b>68,600</b>	<b>57,376</b>	<b>66,100</b>	<b>195,700</b>	<b>119,864</b>	<b>118,788</b>

Exchange rate: 1 US\$ = NOK 7.6 (1998)  
NOK 8.5 (1999)  
NOK 8.8 (2000)

### Trade Trends for Salmon

Norway's total salmon exports in 2000 amounted to 344,000 metric tons in product weight



with a value of NOK 12.29 billion (US\$ 1.36 billion) compared with 338,000 tons valued at NOK 10.77 billion (US\$ 1.197 billion) in 1999. This is an increase in volume of only 2 percent compared with the 20 percent increase registered in 1999. Of the total salmon export volume, 82 percent was fresh salmon (filet or whole), 16 percent was frozen salmon and only about 1 percent was smoked salmon. In spite of the agreement Norway has with the EU which limits salmon exports, the EU is by far the largest market for Norwegian fresh whole salmon with a taking of 82 percent of Norway's total export volume. In 2000, exports to the EU grew by only 3 percent in volume, but by 15 percent in value. France, Denmark and Germany are by far the most important importers in Europe, but Denmark is more a transit market than a consumer market for Norwegian salmon. Aside from the EU, Japan is the largest market for Norwegian salmon, and imported about 29,500 metric tons of fresh and frozen salmon in 2000. The United States, for the second year in a row, imported about 10,000 tons of salmon. Despite customs duties on whole salmon, exports to the U.S. have almost tripled since 1998. Fresh whole exports are still small, and frozen and filet salmon continue to dominate exports to the U.S.

#### Salmon exports, fresh (whole or eviscerated)

	Metric tons, product weight				
	1996	1997	1998	1999	2000

<b>Germany</b>	<b>17,490</b>	<b>18,583</b>	<b>18,936</b>	<b>19,438</b>	<b>18,102</b>
<b>Denmark</b>	<b>50,460</b>	<b>49,913</b>	<b>59,758</b>	<b>59,147</b>	<b>73,823</b>
<b>Spain</b>	<b>13,882</b>	<b>14,614</b>	<b>12,934</b>	<b>17,854</b>	<b>15,099</b>
<b>France</b>	<b>40,383</b>	<b>44,250</b>	<b>46,153</b>	<b>47,780</b>	<b>47,318</b>
<b>Japan</b>	<b>12,890</b>	<b>15,442</b>	<b>16,561</b>	<b>21,660</b>	<b>25,031</b>
<b>Italy</b>	<b>8,576</b>	<b>10,643</b>	<b>10,273</b>	<b>9,495</b>	<b>9,723</b>
<b>Britain</b>	<b>6,218</b>	<b>8,430</b>	<b>9,780</b>	<b>14,435</b>	<b>11,186</b>
<b>Sweden</b>	<b>9,958</b>	<b>11,054</b>	<b>11,346</b>	<b>13,315</b>	<b>13,776</b>
<b>Belgium</b>	<b>5,666</b>	<b>6,136</b>	<b>6,277</b>	<b>6,290</b>	<b>6,321</b>
<b>United States</b>	<b>105</b>	<b>97</b>	<b>123</b>	<b>711</b>	<b>704</b>
<b>Other</b>	<b>25,761</b>	<b>26,290</b>	<b>29,554</b>	<b>42,448</b>	<b>45,168</b>
<b>Total</b>	<b>191,389</b>	<b>205,452</b>	<b>221,695</b>	<b>252,573</b>	<b>266,251</b>

### Salmon, bred frozen, exports

	Metric tons, product weight				
	1996	1997	1998	1999	2000
<b>Japan</b>	<b>7,190</b>	<b>5,210</b>	<b>2,854</b>	<b>6,612</b>	<b>4,508</b>
<b>Russia</b>	<b>N/A</b>	<b>6,321</b>	<b>6,106</b>	<b>3,958</b>	<b>5,051</b>
<b>Denmark</b>	<b>1,413</b>	<b>1,492</b>	<b>1,181</b>	<b>329</b>	<b>581</b>
<b>France</b>	<b>1,569</b>	<b>1,237</b>	<b>994</b>	<b>859</b>	<b>652</b>
<b>United states</b>	<b>1,338</b>	<b>1,032</b>	<b>1,385</b>	<b>2,572</b>	<b>3,027</b>
<b>Other</b>	<b>11,492</b>	<b>12,240</b>	<b>11,443</b>	<b>15,335</b>	<b>14,760</b>
<b>Total</b>	<b>23,002</b>	<b>27,532</b>	<b>23,963</b>	<b>29,665</b>	<b>28,579</b>

### Salmon filet exports (fresh and frozen)

	Metric tons, product weight			
	1997	1998	1999	2000
<b>Germany</b>	<b>4,246</b>	<b>4,991</b>	<b>5,629</b>	<b>5,589</b>

<b>Japan</b>	<b>2,850</b>	<b>2,839</b>	<b>5,735</b>	<b>5,897</b>
<b>France</b>	<b>5,449</b>	<b>4,442</b>	<b>5,183</b>	<b>5,200</b>
<b>Denmark</b>	<b>4,181</b>	<b>3,945</b>	<b>3,018</b>	<b>2,001</b>
<b>United States</b>	<b>550</b>	<b>1,544</b>	<b>7,042</b>	<b>5,242</b>
<b>Other</b>	<b>7,126</b>	<b>7,739</b>	<b>9,825</b>	<b>10,075</b>
<b>Total</b>	<b>24,402</b>	<b>25,500</b>	<b>36,432</b>	<b>34,004</b>

### **EU-Norway Salmon Agreement**

**On June 1, 1997, the European Commission approved a five-year salmon agreement between Norway and the EU. By agreeing to impose minimum prices and restrictions on fresh salmon exports to the EU, Norway succeeded in avoiding antidumping duties called for by the Commission based on complaints from Scotland.**

The main elements of this agreement were:

**Export duty:** The export duty on Norwegian salmon was increased from 0.75 percent to 3 percent. The export duty is collected by the Norwegian government and used for generic promotion.

**Export quantity ceilings:** Ceilings were established for Norwegian exports with an 11 percent maximum increase in 1997, and maximum increases of 10 percent yearly from 1998 to 2002. If exporters increase their sales to the EU by more than 10 percent yearly, a 6 percent duty will be charged.

**Export price:** The minimum export price for fresh salmon was set at an average of 3.25 ECU/kg per quarter. A floor export price of 2.86 ECU/kg was also negotiated which can be affected under special circumstances.

### Factors Affecting U.S. Trade

In 2000, exports of fish from Norway to the U.S. changed little from the previous year both in terms of volume and value. However, as in 1999, Norway was unable to supply enough white fish to meet U.S. demand since Norway had given priority to the United Kingdom's needs. This was especially true for exports of cod and haddock filets. Norwegian exporters are adjusting to U.S. consumer preferences, by supplying the market with fish in a fileted and ready-to-eat form. In 2000, the U.S. was ranked as the eighth largest market for Norwegian seafood, which was the same as in 1999. Although the U.S. accounted for only about 5 percent of Norway's total exports, Norway views the U.S. market as the market with the largest potential. In 2000, the Norwegian Seafood Export Council spent about US\$ 1.7 million for marketing activities to promote Norwegian fish in the U.S., and this budget will likely increase in the coming years. Aside from its activities with the American Culinary Federation, the Norwegian Seafood Export Council is also cooperating with Johnson & Wales University, one of the largest universities for chefs. The Council continuously has chefs on the road in U.S. who hold seminars called "The Art of Norwegian Seafood." Seminar evaluations report that 86 percent of the participants express preference for purchasing Norwegian seafood for their restaurants. New partners for Norwegian Seafood Export Council include the National Association for College & University Food Service Management (NACUFS) and the Society for Food Service Management (SFM).

Norway imports whitefish when its own supply is insufficient to cover the needs of its processing industry which supplies its customers abroad. Imports from U.S. suppliers in recent years have been substantial.

### Main fish products exports to U.S.

Products	Metric tons	Value in thousand US\$
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	1998	1999	2000	1998	1999	2000
<b>Frozen fil. of cod</b>	<b>4,223</b>	<b>6,234</b>	<b>4,488</b>	<b>25,775</b>	<b>36,492</b>	<b>27,946</b>
<b>Frozen haddock</b>	<b>6,118</b>	<b>5,574</b>	<b>3,875</b>	<b>15,683</b>	<b>13,872</b>	<b>10,614</b>
<b>Frozen filet of haddock</b>	<b>2,330</b>	<b>1,431</b>	<b>1,811</b>	<b>12,666</b>	<b>12,666</b>	<b>9,847</b>
<b>Canned sardine</b>	<b>1,286</b>	<b>812</b>	<b>1,116</b>	<b>12,092</b>	<b>6,358</b>	<b>9,994</b>
<b>Frozen salmon</b>	<b>1,547</b>	<b>2,823</b>	<b>3,288</b>	<b>6,932</b>	<b>10,330</b>	<b>14,072</b>
<b>Frozen filet of salmon</b>	<b>679</b>	<b>1,653</b>	<b>1,611</b>	<b>6,388</b>	<b>11,986</b>	<b>14,068</b>
<b>Fresh salmon</b>	<b>125</b>	<b>711</b>	<b>704</b>	<b>526</b>	<b>2,630</b>	<b>2,890</b>
<b>Fresh filet of salmon</b>	<b>870</b>	<b>5,389</b>	<b>3,631</b>	<b>5,431</b>	<b>29,707</b>	<b>21,914</b>
<b>Frozen mackerel</b>	<b>1,783</b>	<b>2,020</b>	<b>2,979</b>	<b>2,768</b>	<b>2,238</b>	<b>2,867</b>
<b>Smoked salmon</b>	<b>326</b>	<b>878</b>	<b>950</b>	<b>6,177</b>	<b>8,583</b>	<b>10,301</b>
<b>Unaccounted others</b>	<b>12,953</b>	<b>10,361</b>	<b>12,101</b>	<b>46,262</b>	<b>34,438</b>	<b>31,055</b>
<b>GRAND TOTAL</b>	<b>32,240</b>	<b>37,886</b>	<b>36,554</b>	<b>140,700</b>	<b>169,300</b>	<b>155,568</b>

**Main fish products imports from the U.S.**

	Metric tons			Value in thousand US\$		
	1998	1999	2000	1998	1999	2000
<b>Peeled froz shrimp</b>	<b>253</b>	<b>197</b>	<b>112</b>	<b>2,498</b>	<b>1,334</b>	<b>694</b>
<b>Frozen cod</b>	<b>13,142</b>	<b>7,229</b>	<b>8,293</b>	<b>33,350</b>	<b>19,397</b>	<b>22,277</b>
<b>Unaccounted other</b>	<b>2,139</b>	<b>2,342</b>	<b>118</b>	<b>6,587</b>	<b>7,939</b>	<b>5,189</b>
<b>GRAND TOTAL</b>	<b>15,534</b>	<b>9,768</b>	<b>8,523</b>	<b>42,435</b>	<b>28,670</b>	<b>28,160</b>

Exchange rate: 1 US\$ = NOK 7.6 (1998)  
NOK 8.5 (1999)  
NOK 8.8 (2000)